

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Gallatin County, Montana (the "County"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS SUBMITTING TO THE QUALIFIED ELECTORS OF GALLATIN COUNTY, MONTANA, THE QUESTION OF ISSUING GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN THE AMOUNT OF UP TO THIRTY-TWO MILLION AND NO/100 DOLLARS (\$32,000,000.00) FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS OF DESIGNING, CONSTRUCTING, EQUIPPING AND FURNISHING A NEW COUNTY DETENTION CENTER HAVING A HOLDING CAPACITY FOR APPROXIMATELY 160 INMATES AND INCLUDING AREAS FOR ADMINISTRATIVE ACTIVITIES, SECURITY AND SURVEILLANCE SYSTEMS, FOOD PREPARATION AND LAUNDRY FACILITIES, AND RELATED IMPROVEMENTS, TO BE LOCATED ON LAND ADJACENT TO THE LAW AND JUSTICE CENTER AT 615 SOUTH 16TH AVENUE IN BOZEMAN, MONTANA; DEMOLISHING THE EXISTING COUNTY DETENTION CENTER LOCATED ON THE SITE; AND PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS" (the "Resolution"), on file in the original records of the County in my legal custody; that the Resolution was duly adopted by the Board of County Commissioners of the County at a meeting on August 19, 2008, and that the meeting was duly held by the Board of County Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor thereof: Murdock, Skinner & White ; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand officially this 19th day of August, 2008.

Christine M. White
County Clerk and Recorder

by Manuel J. Siqueira



RESOLUTION NO. 2008-092

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS SUBMITTING TO THE QUALIFIED ELECTORS OF GALLATIN COUNTY, MONTANA, THE QUESTION OF ISSUING GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN THE AMOUNT OF UP TO THIRTY-TWO MILLION AND NO/100 DOLLARS (\$32,000,000.00) FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS OF DESIGNING, CONSTRUCTING, EQUIPPING AND FURNISHING A NEW COUNTY DETENTION CENTER HAVING A HOLDING CAPACITY FOR APPROXIMATELY 160 INMATES AND INCLUDING AREAS FOR ADMINISTRATIVE ACTIVITIES, SECURITY AND SURVEILLANCE SYSTEMS, FOOD PREPARATION AND LAUNDRY FACILITIES, AND RELATED IMPROVEMENTS, TO BE LOCATED ON LAND ADJACENT TO THE LAW AND JUSTICE CENTER AT 615 SOUTH 16TH AVENUE IN BOZEMAN, MONTANA; DEMOLISHING THE EXISTING COUNTY DETENTION CENTER LOCATED ON THE SITE; AND PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS

This Resolution was introduced by Grants Administrator Larry Watson; moved by Commissioner White and seconded by Commissioner Skinner.
This Resolution was adopted unanimously.

RECITALS

WHEREAS, the board of commissioners of a county may issue bonds on the credit of the county for the purpose of acquiring land for sites and grounds for public buildings; constructing, erecting, or acquiring by purchase necessary public buildings within the county, under its control and authorized by law; making additions to and repairing buildings; and furnishing and equipping the same, upon approval of the electorate of the county, provided that the amount of indebtedness does not exceed 2.50% of the total assessed value of taxable property within the county, calculated in accordance with Section 7-7-2101, M.C.A.; and

WHEREAS, a board is authorized pursuant to Section 7-7-2223, M.C.A., to call a bond election by adopting a resolution to that effect; and

WHEREAS, the Board of County Commissioners (the "Board") of Gallatin County, Montana (the "County"), has determined that there should be submitted to the electors of the County qualified to vote at bond elections the question of whether the Board shall be authorized to issue and sell bonds of the County in one or more series to obtain funds for the purpose of paying a portion of the costs of designing, constructing, equipping and furnishing a new county detention center having a holding capacity for approximately 160 inmates and including areas for administrative activities, security and surveillance systems, food preparation and laundry facilities, and related improvements, to be located on land adjacent to the Law and Justice Center at 615 South 16th Avenue in Bozeman, Montana; demolishing the existing county detention

center located on the site; and paying costs associated with the sale and issuance of the bonds;
and

WHEREAS, the design and construction consultants to the County have estimated the costs of the designing, constructing, equipping and financing a new county detention center at the site of the Law and Justice Center and demolishing the existing county detention center to be \$37,960,939;

WHEREAS, the County has approximately \$5,960,939 from funds set aside or to become available to it to apply toward the costs of the proposed project;

WHEREAS, the Board has determined that the issuance of general obligation bonds in the amount of up to \$32,000,000 will not cause the County to exceed its indebtedness limitation, which as currently calculated is \$152,611,215, i.e. \$6,104,448,625 x 2.50%; and

WHEREAS, it is the judgment of the Board that the sum of up to Thirty-Two Million and No/100 Dollars (\$32,000,000.00) in bonds will be necessary, with other available funds, to carry out the purpose set forth above; and

WHEREAS, it is the judgment and determination of the Board that bonds will be payable during a term not to exceed twenty (20) years and shall be redeemable on any date after one-half of the term for which they are issued.

NOW, THEREFORE, BE IT RESOLVED By the Board of the County as follows:

1. Calling of the Election. The Board of the County hereby calls and directs a county election be held in conjunction with the general election on November 4, 2008, for the purpose of voting on the following question:

Shall the Board of County Commissioners (the "Board") of Gallatin County, Montana (the "County") be authorized to issue and sell general obligation bonds of the County, in one or more series in the amount of up to Thirty-Two Million and No/100 Dollars (\$32,000,000.00), bearing interest at rates to be determined by the Board at a competitive sale, payable semiannually during a term not to exceed twenty (20) years and redeemable on any date after one-half of their term, for the purpose of paying a portion of the costs of designing, constructing, equipping and furnishing a new county detention center having a holding capacity for approximately 160 inmates and including areas for administrative activities, security and surveillance systems, food preparation and laundry facilities, and related improvements, to be located on land adjacent to the Law and Justice Center at 615 South 16th Avenue in Bozeman, Montana; demolishing the existing county detention center located on the site; and paying costs associated with the sale and issuance of the bonds (the "Project")?

The total estimated cost of the Project is \$37,960,939. Costs of the Project in excess of \$32,000,000 are expected to be paid from funds of the County set aside or to be available therefor.

2. Conduct of Election. All qualified electors of the County shall be entitled to vote at the bond election. The Gallatin County Election Administrator is hereby requested and authorized to give proper notice of the close of registration and thereafter prepare printed lists of the electors in the County entitled to vote in the election in the County and to conduct the election in the form and manner prescribed by law.

3. Notice of Election. The Election Administrator is hereby authorized and requested to cause notice of the call and holding of the election to be given by publishing notice at least once a week for the three consecutive weeks before the election in the *Bozeman Chronicle*, a newspaper of general circulation in the County. The notice of election as published shall read substantially as follows:

NOTICE OF BOND ELECTION
Gallatin County, Montana
November 4, 2008

NOTICE IS HEREBY GIVEN by the Board of County Commissioners (the "Board") of Gallatin County, Montana (the "County"), that pursuant to a certain resolution duly adopted at a regular meeting of the Board on August 19, 2008, a special election of the registered voters of the County will be held on November 4, 2008, in conjunction with the general election, for the purpose of voting on the following question:

Shall the Board of County Commissioners (the "Board") of Gallatin County, Montana (the "County") be authorized to issue and sell general obligation bonds of the County, in one or more series in the amount of up to Thirty-Two Million and No/100 Dollars (\$32,000,000.00), bearing interest at rates to be determined by the Board at a competitive sale, payable semiannually during a term not to exceed twenty (20) years and redeemable on any date after one-half of their term, for the purpose of paying a portion of the costs of designing, constructing, equipping and furnishing a new county detention center having a holding capacity for approximately 160 inmates and including areas for administrative activities, security and surveillance systems, food preparation and laundry facilities, and related improvements, to be located on land adjacent to the Law and Justice Center at 615 South 16th Avenue in Bozeman, Montana; demolishing the existing county detention center located on the site; and paying costs associated with the sale and issuance of the bonds (the "Project")?

The total estimated cost of the Project is \$37,960,939. Costs of the Project in excess of \$32,000,000 are expected to be paid from funds of the County set aside or to be available therefor.

If approved, based on the most recent assessed values of taxable property in the County and assuming an interest rate on the bonds of 5.00% per annum and a term of 20 years, the bonds issued in their maximum authorized amount would result in an estimated annual tax on a home with an assessed value of \$100,000 of \$24.70 and on a home with an assessed value of \$200,000 of \$49.39.

The polls shall be open between the hours of 7:00 a.m. and 8:00 p.m., and the polling places for the election shall be the normal polling places for County residents during a general election. Beginning October 6, 2008, absentee ballots may be obtained at the office of the Gallatin County Election Administrator at Gallatin County Courthouse, 311 West Main, Gallatin, Montana, until 12:00 noon, November 3, 2008.

County Clerk and Recorder

Publish: September 18, 2008
 September 25, 2008
 October 2, 2008

4. Ballots. The Election Administrator is hereby requested to prepare suitable ballots for use at the election at the polling places, together with the precinct lists.

5. Form of Ballot. The ballot shall be printed in substantially the following form:

OFFICIAL BALLOT
GALLATIN COUNTY, MONTANA
BOND ELECTION
NOVEMBER 4, 2008

INSTRUCTIONS TO VOTERS: Make an X or similar mark in the vacant square before the words "BONDS--YES" if you wish to vote for the bond issue; if you are opposed to the bond issue, make an X or similar mark in the vacant square before the words "BONDS—NO."

Shall the Board of County Commissioners (the "Board") of Gallatin County, Montana (the "County") be authorized to issue and sell general obligation bonds of the County, in one or more series in the amount of up to Thirty-Two Million and No/100 Dollars (\$32,000,000.00), bearing interest at rates to be determined by the Board at a competitive sale, payable semiannually during a term not to exceed twenty (20) years and redeemable on any date after one-half of their term, for the purpose of paying a portion of the costs of designing, constructing, equipping and furnishing a new county detention center having a holding capacity for approximately 160 inmates and including areas for administrative activities, security and surveillance systems, food preparation and laundry facilities, and related improvements, to be located on land adjacent to the Law and Justice Center at 615 South 16th Avenue in Bozeman, Montana; demolishing the existing county detention center located on the site; and paying costs associated with the sale and issuance of the bonds (the "Project")?

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If approved, based on the most recent assessed values of taxable property in the County and assuming an interest rate on the bonds of 5.00% per annum and a term of 20 years, the bonds issued in their maximum authorized amount would result in an estimated annual tax on a home with an assessed value of \$100,000 of \$24.70 and on a home with an assessed value of \$200,000 of \$49.39.

☐ BONDS — YES
☐ BONDS — NO

6. The provisions of this Section 6 are intended to establish and provide for compliance by the County with Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bond, being those proceeds which will be used by the County to reimburse itself for any expenditure with respect to the Project which the County paid or will have paid prior to the issuance of the Bond (a "Reimbursement Expenditure").

The County hereby certifies and/or covenants as follows:

(a) On March 21, 2007, the County (or person designated to do so on behalf of the County) made a written declaration of the County's official intent (a "Declaration") which complies with the provisions of Section 1.150-2(d) and (e) of the Reimbursement Regulations.

(b) As of the date of the Declaration, no funds from sources other than the Bond were, or were reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the County to provide financing for the Reimbursement Expenditure to be reimbursed from proceeds of the Bond.

(c) Each Reimbursement Expenditure to be reimbursed from proceeds of the Bond, other than costs of issuing the Bond, is a capital expenditure (i.e., a cost that is properly chargeable to capital account (or would be with a proper election) under general federal income tax principles).

(d) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure to be reimbursed from proceeds of the Bond shall be made forthwith following (but not prior to) the issuance of the Bond and in all events within the period ending on the date which is three years after the later of: (i) the date of payment of the Reimbursement Expenditure or (ii) the Project is first placed in service or abandoned.

(e) Each such reimbursement allocation will be evidenced by an entry on the official books or records of the County maintained for and in connection with the Bond and will specifically identify the actual prior Reimbursement Expenditure to be reimbursed from proceeds of the Bond.

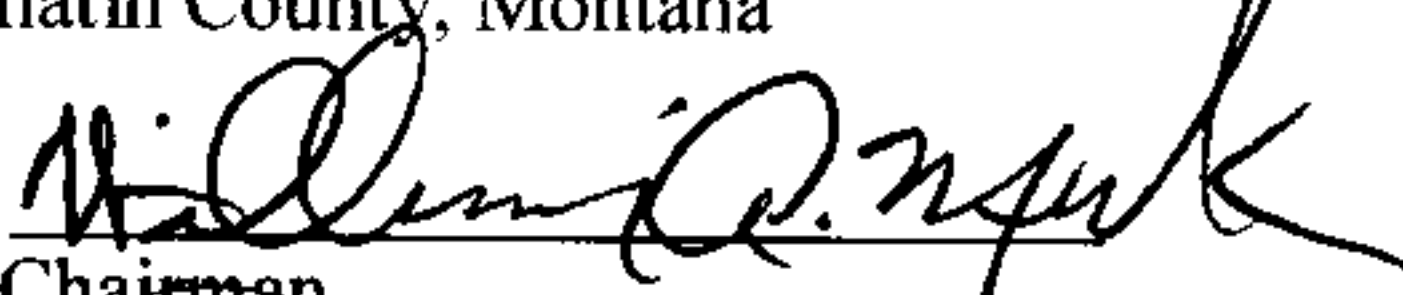
(f) The County is unaware of any facts or circumstances which would cause it to question the reasonableness or accuracy of this Section 6 or the Declaration, or its compliance with any of the covenants herein or therein contained.

7. Notice to County Election Administrator. A copy of this resolution will be provided to the Election Administrator as soon as possible after its adoption and approval in order to inform him/her of the details of the election and the pertinent requests and authorizations as to the conduct of the election.

PASSED AND ADOPTED by the Board of County Commissioners of Gallatin County, Montana, this 19th day of August, 2008.

BOARD OF COUNTY COMMISSIONERS
Gallatin County, Montana

By


Chairman

By


Member

By


Member

